DEPARTMENT OF HEALTH AND HUMAN SERVICES
HEALTH CARE FINANCING ADMINISTRATION

Form Approved
OMB No. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL
FOR: HEALTH CARE FINANCING ADMINISTRATION

TRANSMITTAL NUMBER	STATE
MS 90-22	Missouri

PROGRAM IDENTIFICATION: Title XIX

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

PROPOSED EFFECTIVE DATE: July 1, 1990

TYPE OF PLAN MATERIAL (Check One)

☐ NEW STATE PLAN ☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN ☒ AMENDMENT

COMPLETE NEXT 4 BLOCKS IF THIS IS AN AMENDMENT (Separate transmittal for each amendment)

FEDERAL REGULATION CITATION

NUMBER OF THE PLAN SECTION OR ATTACHMENT	NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT
Attachment 4.19-D Pages: 46 and 46a	Attachment 4.19-D Pages: 46 and 46a

SUBJECT OF AMENDMENT

Updating provisions of Long-Term Care Reimbursement Plan for Non-State Operated Facilities for ICF/MR to reflect changes implemented during the July-September, 1990 quarter. Trend factor to be applied.

GOVERNOR'S REVIEW (Check One)

☒ GOVERNOR'S OFFICE REPORTED NO COMMENT
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL
☐ OTHER, AS SPECIFIED:

SIGNATURE OF STATE AGENCY OFFICIAL

TYPED NAME: Gary J. Stangler

TITLE: Director, Dept. of Social Services

DATE: August 3, 1990

RETURN TO:
Division of Medical Services
P.O. Box 6500
Jefferson City, MO. 65102-6500

FOR REGIONAL OFFICE USE ONLY

DATE RECEIVED	DATE APPROVED
08/13/90	JUN 06 2001

PLAN APPROVED – ONE COPY ATTACHED

EFFECTIVE DATE OF APPROVED MATERIAL: 07/01/90

SIGNATURE OF REGIONAL OFFICIAL

TYPED NAME: Thomas W. Lenz

TITLE: ARA for Medicaid & State Operations

REMARKS: cc: Martin/Vadner/Waite/CO

90 AUG 13 PM 2:47
HHS
HCFA-MEDICAID
REGION VII

Form HCFA-179 (3/80) (Formerly PCO-11) Submit 6 Copies.

C. For state fiscal year 1989 and dates of service beginning January 1, 1989, the negotiated trend factor shall be equal to one percent (1%) to be applied in the following manner: One percent (1%) of the average per-diem rate paid to both State Operated and Non-State Operated ICF/MR facilities on June 1, 1988 shall be added to each facility's rate.

D. For state fiscal year 1990 and dates of service beginning July 1, 1989, the negotiated trend factor shall be equal to one and one-half percent (1.5%) to be applied in the following manner: One and one-half percent(1.5%) of the weighted average per-diem rate paid to both State Operated and Non-State Operated ICF/MR facilities on June 1, 1989 shall be added to each facility's rate.

E. For state fiscal year 1991 and dates of service beginning July 1, 1990, the negotiated trend factor shall be equal to one percent (1%) to be applied in the following manner: One percent (1%) of the average per-diem rate paid to all nonstate operated ICF/MR facilities on June 1, 1990 shall be added to each facility's rate.

2. Adjustments to Rates. The prospectively determined reimbursement rate may be adjusted only under the following conditions:

A. When information contained in a facility's cost report is found to be fraudulent, misrepresented or inaccurate, the facility's reimbursement rate may be both retroactively and prospectively reduced if the fraudulent, misrepresented or inaccurate information as originally reported resulted in establishment of a higher reimbursement rate than the facility would have received in the absence of such information. No decision by the Medicaid agency to impose a rate adjustment in the case of fraudulent, misrepresented or inaccurate information shall in any way affect the Medicaid agency's ability to impose any sanctions authorized by statute or regulation. The fact that fraudulent, misrepresented or inaccurate information reported did not result in establishment of a higher reimbursement rate than the facility would have received in the absence of such information also does not affect the Medicaid agency's ability to impose any sanctions authorized by statute or regulation;

B. In accordance with subsection (6)(B) of this rule, a newly constructed facility's initial reimbursement rate may be reduced if the facility's actual allowable per diem cost for its first twelve (12) months of operation is less than its initial rate;

C. When a facility's Medicaid reimbursement rate is higher than either its private pay rate or its Medicare rate, the Medicaid rate will be reduced in accordance with subsection (2)(B) of this rule;

D. When the provider can show that it incurred higher cost due to circumstances beyond its control and the circumstance is not experienced by the nursing home or ICF/MR industry in general, the request must have a substantial cost effect. These circumstances include but are not limited to:

(I) Acts of nature such as fire, earthquakes and flood that are not covered by insurance,

(II) Vandalism and/or civil disorder; or

(III) Replacement of capital depreciable items not built into existing rate that are the result of circumstances not related to normal wear and tear or upgrading of existing system;

E. When an adjustment to a facility's rate is made in accordance with the provisions of section (6) of this rule; or

F. When an adjustment is based on an Administrative Hearing Commission or court decision.

APPENDIX

Findings and Assurances

In conformity with the Title 42 CFR Section 447.253(a) and (b), the Department of Social Services/Division of Medical Services (DSS/DMS) makes the following findings and assurances:

- ICF-MR rates of payment have been found to be reasonable and adequate to meet the costs that must be incurred by efficiently and economically operated providers to provide services in conformity with applicable State and Federal laws, regulations, and quality and safety standards.

- The estimated weighted average proposed payment rate is reasonably expected to pay no more in the aggregate for ICF-MR, Long-Term Care services to state-operated facilities than the amount that the agency reasonably estimates would be paid for the services under the Medicare principles of reimbursement.

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- DSS/DMS provides long-term care facilities with an appeals or exception procedure that allows individual providers an opportunity to submit additional evidence and receive prompt administrative review of payment rates with respect to such issues as DSS/DMS determines appropriate.

- DSS/MS requires the filing of uniform cost reports by each participating provider.

- DSS/DMS provides for periodic audits of the financial and statistical records of participating providers.

- DSS/DMS published prior notice of said change in the newspaper in accordance with 42 CFR 447.205(d)(2)(ii).

- DSS/DMS pays for long-term care services using rates determined in accordance with methods and standards specified in the approved State Plan.

- The payment methodology used by the State for payments to ICF-MR facilities for medical assistance beginning January 1, 1990 can reasonably be expected not to increase payments solely as a result of a change of ownership in excess of the increase which would result from application of 42 U.S.C. 1861 (v)(1)(0) of the Social Security Act for all changes of ownership which occur on or after July 18, 1984, except for those changes made pursuant to an enforceable agreement executed prior to that date.

State Plan TN# 90-22 Effective Date 7/1/90

Supersedes TN#_____ Approval Date 6/6/91

- Section (2)(B)3 ICF-MR of the State's Prospective Reimbursement Plan for Non-State Operated Facilities for ICF-MR services provides that a change in ownership/management of a facility is not subject to review for rate reconsideration. Under the State's current methodology, ICF/MR payment rates do not increase as a result of a change in ownership.

- The state assures that valuation of capital assets for purposes of determining payment rates for long-term care facilities will not be increased, solely as a result of a change of ownership, by more than as may be allowed under section 1902 (a)(13)(C) of the Act.

Related Information

In conformity with Title 42 CFR Section 447.255, DSS/DMS is submitting with the findings and assurances the following related information:

- DSS/DMS has determined a projected weighted average per diem rate for ICF-MR, long-term care providers after the effective date of the proposed plan amendment.

Provider Type	Before 7/1/90	After 7/1/90	Increase/ Decrease
Non-State-Operated ICF/MR	$114.71	$115.86	$1.15

- DSS/DMS estimates there is no significant impact resulting from the change, either in short-term or long-term effects, as affecting -

  (1) The availability of services on a statewide and geographic area basis;
  (2) The type of care furnished; and
  (3) The extent of provider participation

State Plan TN: 90-22 Effective Date: 7/1/90
Supersedes TN: _____ Approval Date: 6/6/01